



Interim Financial Statements
For the period ended 31 March 2020

Corporate Information

Domicile & Legal Form	Ambeon Holdings PLC is a Public Limited Liability Company incorporated and domiciled in Sri Lanka. The registered office of the Company is located at No. 10, 5th Floor, Gothami Road,																
Principal Activity & Nature of the Company	Investment Holding & Managing Company																
Company Reg. No.	PQ 26																
Board of Directors	<table><tr><td>Mr. S. E. Gardiner</td><td>- Chairman</td></tr><tr><td>Mr. A. L. Devasurendra</td><td>- Deputy Chairman</td></tr><tr><td>Mr. N. M. Prakash</td><td>- Group Managing Director/CEO</td></tr><tr><td>Mr. A. G. Weerasinghe</td><td>- Non-Executive Director</td></tr><tr><td>Mr. R. P. Sugathadasa</td><td>- Non-Executive Director</td></tr><tr><td>Mr. E. M. M. Boyagoda</td><td>- Non-Executive Director</td></tr><tr><td>Mr. R. P. Pathirana</td><td>- Non-Executive Director</td></tr><tr><td>Mr. R. T. Devasurendra</td><td>- Alternate Director to Mr. A. L. Devasurendra</td></tr></table>	Mr. S. E. Gardiner	- Chairman	Mr. A. L. Devasurendra	- Deputy Chairman	Mr. N. M. Prakash	- Group Managing Director/CEO	Mr. A. G. Weerasinghe	- Non-Executive Director	Mr. R. P. Sugathadasa	- Non-Executive Director	Mr. E. M. M. Boyagoda	- Non-Executive Director	Mr. R. P. Pathirana	- Non-Executive Director	Mr. R. T. Devasurendra	- Alternate Director to Mr. A. L. Devasurendra
Mr. S. E. Gardiner	- Chairman																
Mr. A. L. Devasurendra	- Deputy Chairman																
Mr. N. M. Prakash	- Group Managing Director/CEO																
Mr. A. G. Weerasinghe	- Non-Executive Director																
Mr. R. P. Sugathadasa	- Non-Executive Director																
Mr. E. M. M. Boyagoda	- Non-Executive Director																
Mr. R. P. Pathirana	- Non-Executive Director																
Mr. R. T. Devasurendra	- Alternate Director to Mr. A. L. Devasurendra																
Secretaries	P W CORPORATE SECRETARIAL (PRIVATE) LIMITED 3/17, Kynsey Road, Colombo 08.																
Registrars	S S P CORPORATE SERVICES (PRIVATE) LIMITED 101, Inner Flower Road, Colombo 3																
Auditors	ERNST & YOUNG Chartered Accountants, No. 201, De Saram Place, Colombo 10.																
Bankers	Pan Asia Banking Corporation PLC Nations Trust Bank PLC Seylan Bank PLC National Development Bank PLC Peoples Bank Standard Chartered Bank																
Contact Details	<u>Registered Office</u> No. 10, 5th Floor, Gothami Road, Colombo 08. Telephone - '+94 11 5700700 Fax - '+94 11 2680225 Email :info@ambeongroup.com Website :ambeongroup.com																

Ambeon Holdings PLC
Interim Statement of Profit or Loss - Company
For the period ended 31 March 2020

Rs.000'	Note	Quarter Ended 31 March		Twelve Months Ended 31 March	
		2020 Un-Audited	2019 Un-Audited	2020 Un-Audited	2019 Un-Audited Restated
Revenue		54,273	357,621	207,460	465,473
Cost of Sales		-	-	-	-
Gross Profit		54,273	357,621	207,460	465,473
Other Income		27,190	153,860	27,190	302,679
Selling & Distribution Expenses		-	-	-	-
Administrative Expenses		(124,786)	(2,733)	(259,096)	(156,268)
Loss on Management Buy Out		-	-	-	(99,840)
Other Operating Expense		-	-	-	(11,353)
Fair value gain on investment subsidiary fair valuation	5	1,025,568	3,737,996	1,025,568	3,737,996
Fair Value Gain/(Loss) on Current Investments		-	32,225	891	(138,330)
Finance Cost		(104,266)	(90,155)	(382,646)	(330,753)
Profit/(Loss) for the period before tax		877,979	4,188,814	619,367	3,769,603
Income Tax Expense		(58,856)	(333,823)	(58,856)	(394,807)
Total Comprehensive Income for the period, net of tax		819,123	3,854,991	560,511	3,374,796
Earnings/(Loss) per share					
Basic		2.30	1.26	1.57	9.46
Diluted		2.30	1.26	1.57	9.46

Ambeon Holdings PLC
Interim Consolidated Statement of Comprehensive Income - Company
For the period ended 31 March 2020

Rs.000'	Quarter Ended 31 March		Twelve Months Ended 31 March	
	2020 Un-Audited	2019 Un-Audited	2020 Un-Audited	2019 Un-Audited Restated
Profit/(Loss) for the year	819,123	3,854,991	560,511	3,374,796
Actuarial Gain/(Loss) on Defined Benefit Plans	97	(943)	97	(943)
Income tax effect on other comprehensive income	(27)	-	(27)	264
Gain/(Loss) From Change in Fair Value of Financial Assets	-	(153,757)	(8,786)	(153,757)
Other Comprehensive Income for the period, net of tax	70	(154,700)	(8,716)	(154,436)
Total Comprehensive Income for the period, net of tax	819,193	3,700,290	551,794	3,220,359

The notes on pages 10 to 14 are integral part of the financial statements.
Figures in brackets indicate deductions.

Ambeon Holdings PLC
Interim Statement of Financial Position - Company
As at 31 March 2020

Rs.000'	Note	31 March 2020 (Un -Audited)	31 March 2019 (Un-Audited) Restated
ASSETS			
Non-Current Assets			
Property, Plant & Equipment		10,623	16,858
Intangible Assets		9,370	10,481
Investment in Subsidiaries	5	12,663,843	11,486,809
Loans and Other Receivable		524,238	45,500
		<u>13,208,074</u>	<u>11,559,648</u>
Current Assets			
Trade & Other Receivables		685,570	555,986
Income Tax Receivable		25,245	24,912
Other Financial Investments		662,418	744,246
Cash & Short Term Deposits		112,006	6,581
		<u>1,485,239</u>	<u>1,331,725</u>
Total Assets		<u>14,693,313</u>	<u>12,891,373</u>
EQUITY			
Equity attributable to owners of the parent			
Stated Capital		5,331,775	5,331,775
Other Capital Reserves		3,100	3,100
Other Component of Equity		(265,455)	(256,669)
Retained Earnings /(Losses)	5	5,643,904	5,083,323
Total Equity		<u>10,713,324</u>	<u>10,161,529</u>
LIABILITIES			
Non-Current Liabilities			
Other Financial Liabilities		945	921
Retirement Benefit Obligations		5,740	4,366
Interest Bearing Loans & Borrowings		2,163,796	1,322,785
Deferred Tax Liability	5	388,790	329,906
Total Non-Current Liabilities		<u>2,559,271</u>	<u>1,657,978</u>
Current Liabilities			
Trade & Other Payables		23,304	35,220
Interest Bearing Loans & Borrowings		1,397,414	1,036,646
Total Current Liabilities		<u>1,420,718</u>	<u>1,071,866</u>
Total Liabilities		<u>3,979,989</u>	<u>2,729,844</u>
Total Equity and Liabilities		<u>14,693,313</u>	<u>12,891,373</u>
Net Asset Value Per Share		30.02	28.47

I certify that the Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd.
Isuru Fernando
Finance Manager

The Board of Directors are responsible for these Financial Statements. Signed for and on behalf of the Board by;

Sgd.
A G Weerasinghe
Director

Sgd.
R P Sugathadasa
Director

03 September 2020
Colombo

The notes on pages 10 to 14 are integral part of the financial statements.
Figures in brackets indicate deductions.

Ambeon Holdings PLC
Interim Statement of Changes in Equity - Company
For the period ended 31 March 2020

Rs.000	Note	Stated capital	Retained earnings	FV Through OCI Reserve	Other capital reserves	Other reserves	Total equity
Balance as at 31 March 2018 (Audited)		7,871,564	(1,809,678)	-	3,100	220	6,065,205
Impact of adapting SLFRS 9 - Financial Instrument		-	103,131	(103,131)	-	-	-
Balance as at 31 March 2018 (Audited) - Revised		7,871,564	(1,706,547)	(103,131)	3,100	220	6,065,205
Investment in Subsidiary fair valuation Impact		-	1,322,052	-	-	-	1,322,052
Balance as at 01 April 2018 (Un Audited) - Restated		7,871,564	(384,495)	(103,131)	3,100	220	7,387,257
Net profit/(Loss) for the Period		-	3,374,796	-	-	-	3,374,796
Other Comprehensive Income		-	(679)	(153,757)	-	-	(154,436)
Total comprehensive income/(loss) for the period			3,374,116	(153,757)			3,220,359
Capital Reduction		(2,539,789)	2,539,789	-	-	-	-
Dividends paid (LKR 1.25 per share)		-	(446,087)	-	-	-	(446,087)
Balance as at 31 March 2019 (Un-Audited) - Restated		5,331,775	5,083,323	(256,889)	3,100	220	10,161,529
Balance as at 31 March 2019 (Un-Audited) - Restated		5,331,775	5,083,323	(256,889)	3,100	220	10,161,529
Net profit/(Loss) for the Period		-	560,511	-	-	-	560,511
Other comprehensive income		-	70	(8,786)	-	-	(8,716)
Total comprehensive income/(loss) for the period		-	560,581	(8,786)	-	-	551,795
Balance as at 31 March 2020 (Un-Audited)		5,331,775	5,643,904	(265,675)	3,100	220	10,713,324

The notes on pages 10 to 14 are integral part of the financial statements.
Figures in brackets indicate deductions.

Ambeon Holdings PLC
Interim Cash Flow Statement - Company
For the period ended 31 March 2020

Rs.000'	31 March 2020 (Un-Audited)	31 March 2019 (Un -Audited) Restated
Cash flow from operating activities		
Profit/(loss) before tax	619,367	3,769,603
Adjustments:		
Depreciation of Property Plant and Equipment	7,525	5,217
Provision for(Gain)/ fall in Value of current assets	(891)	138,330
Fair value gain on investment subsidiary fair valuation	(1,025,568)	(3,737,996)
Amortiation of Intangible Assets	1,111	853
Provision for Defined Benefit Plans	2,195	1,787
(Profit)/Loss from Disposal of Current Investment	(6,959)	9,935
Interest on other Financial Liabilities	24	24
Finance Cost	382,622	330,753
Loss on Disposal of Subsidiary	-	101,643
Loss on capital reduction	-	-
Gain On Loan Write Back	-	(153,860)
Impairment of Receivable	85,000	-
Impairment of Investment	-	2,747
Gain on Disposal of Subsidiary	-	(114,487)
	<u>64,426</u>	<u>354,550</u>
Working capital adjustments		
(Increase)/decrease in trade & other receivables	(145,932)	(63,776)
Increase/(decrease) in trade & other payables	(11,916)	(76,243)
Cash Generated /(used in) Operations	(93,422)	214,530
Interest Paid	(382,622)	(330,753)
Income tax paid	(333)	(10,052)
Defined Benefit Plan Costs paid net of transfers	(724)	(2,100)
Total net cash (used in)/from operating activities	(477,101)	(128,375)
Cash flow from investing activities		
Acquisition of Property, Plant & Equipment	(1,290)	(13,501)
Proceeds from Sale of Other Financial Assets	123,591	239,891
Loan granted to Subsidiaries	-	(589,978)
Investment in Subsidiaries	(151,466)	-
Loan settled by Subsidiaries	-	517,612
Investment in Current Investments	(64,728)	(30,400)
Net proceeds from intercompany Loans	(525,360)	-
Proceed From Disposal of Subsidiaries	-	370,778
Total net cash (used in)/from investing activities	(619,253)	494,401
Cash Flow from Financing Activities		
Net Proceeds from Interest Bearing Borrowings	1,045,046	(274,331)
Dividend Paid	-	(446,087)
Net Cash Flows (Used in)/from Financing Activities	1,045,046	(720,418)
Net (decrease)/increase in cash and cash equivalents	(51,308)	(354,392)
Cash and cash equivalents as at 1 April	(348,566)	5,825
Cash and cash equivalents as at 31 March	(399,874)	(348,566)
Cash and cash equivalents as at 31 March		
Favorable Cash and bank balances	112,006	6,581
Unfavorable cash and Bank balances	(511,880)	(355,147)
	(399,874)	(348,566)

The notes on pages 10 to 14 are integral part of the financial statements.
Figures in brackets indicate deductions.

Ambeon Holdings PLC
Interim Consolidated Statement of Profit or Loss - Group
For the period ended 31 March 2020

Rs.000'	Quarter Ended 31 March		Twelve Months Ended 31 March	
	2020	2019	2020	2019
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
Continuing Operations				
Revenue	3,852,264	4,316,020	19,716,071	17,734,485
Cost of Sales	(2,871,465)	(3,293,697)	(15,566,550)	(13,806,352)
Gross Profit	980,799	1,022,324	4,149,521	3,928,132
Other Income	50,847	122,417	156,442	212,923
Selling & Distribution Expenses	(274,698)	(306,543)	(869,550)	(732,430)
Administrative Expenses	(815,513)	(389,784)	(2,841,754)	(2,413,089)
Loss on Disposal of Associate	-	(876)	-	-
Change in Fair Value of Financial Assets measured at fair value through Profit or loss	(100)	28,884	13,420	(142,471)
Operating Profit/(Loss)	(58,665)	476,422	608,079	853,067
Net Finance Cost	(139,254)	(53,185)	(572,086)	(429,661)
Change in fair value of Investment Property	413,770	820,321	787,720	822,550
Gain on Bargain Purchase	-	2,078	-	-
Share of profit From Associate	(3,070)	451	(3,070)	1,307
Profit/(Loss) for the period from continuing operations before tax	212,781	1,246,087	820,642	1,247,263
Income Tax Expense	176,834	(208,028)	(111,805)	(382,136)
Profit/(Loss) for the period from continuing operations	389,614	1,038,059	708,837	865,127
Discontinued operations				
Profit/(Loss) after tax for the period from discontinued operations	(190,931)	(554)	(190,978)	(659)
Profit/(Loss) for the year	198,684	1,037,505	517,859	864,468
Owners of the parent	98,163	822,055	245,268	528,310
Non-controlling interests	100,521	215,450	272,591	336,158
Earnings/(Loss) per share				
Basic	0.28	2.30	0.69	1.48
Diluted	0.28	2.30	0.69	1.48

Ambeon Holdings PLC
Interim Consolidated Statement of Comprehensive Income - Group
For the period ended 31 March 2020

Rs.000'	Quarter Ended 31 March		Twelve Months Ended 31 March	
	2020	2019	2020	2019
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
Profit/(Loss) for the year	198,684	1,037,505	517,859	864,468
Currency translation of Foreign operations	144,922	(67,825)	156,076	(378,267)
Tax on Currency translation of Foreign operation	(21,833)	-	(21,833)	52,957
Revaluation gain/Loss of land and building	189,717	531,722	189,717	621,099
Tax on revaluation gain	(64,132)	(115,777)	(64,132)	(145,989)
Actuarial Gain/(Loss) on Defined Benefit Plans	(26,134)	34,548	(26,134)	26,647
Tax on Actuarial Gain/(Loss) on Defined Benefit Plans	10,381	(14,557)	10,381	(12,077)
Gain/(Loss) From Change in Fair Value of Financial Assets	(4,393)	(153,757)	(8,786)	(153,757)
Effect of CF Hedge Accounting	(35,827)	-	(35,827)	-
Other Comprehensive Income	192,701	214,355	199,461	10,613
Total comprehensive income/(loss) for the period	391,385	1,251,861	717,320	875,081
Attributable to;				
Owners of the parent	272,932	967,863	426,528	483,472
Non-controlling interests	118,453	283,998	290,792	391,609
	391,385	1,251,861	717,320	875,081

The notes on pages 10 to 14 are integral part of the financial statements.
Figures in brackets indicate deductions.

Ambeon Holdings PLC
Interim Consolidated Statement of Financial Position - Group
As at 31 March 2020

Rs.000'	Notes	31 March 2020 (Unaudited)	31 March 2019 (Audited)
ASSETS			
Non-Current Assets			
Property, Plant & Equipment		3,918,435	5,098,713
Right of use Asset		991,540	-
Investment Property		3,829,941	3,039,977
Intangible Assets		1,847,275	1,516,639
Other Non- Current Financial Assets		1,667,298	712,186
Investment in Associate		11,930	-
Deferred Tax assets		89,236	143,559
		<u>12,355,655</u>	<u>10,511,075</u>
Current Assets			
Inventories		4,054,934	4,240,916
Trade & Other Receivables		6,285,620	6,164,701
Income Tax Receivable		45,966	37,934
Other Financial Investments		955,802	1,021,556
Cash & Bank		770,097	610,567
		<u>12,112,419</u>	<u>12,075,674</u>
Total Assets		<u>24,468,074</u>	<u>22,586,749</u>
EQUITY			
Equity attributable to owners of the parent			
Stated Capital		5,331,775	5,331,775
Other Reserves		3,100	3,100
Other Components of Equity		952,312	758,255
		<u>1,972,095</u>	<u>1,650,091</u>
Retained Earnings /(Losses)		<u>8,259,282</u>	<u>7,743,221</u>
Non-controlling interests		<u>1,610,953</u>	<u>1,610,057</u>
Total Equity		<u>9,870,235</u>	<u>9,353,278</u>
LIABILITIES			
Non-Current Liabilities			
Other Financial Liabilities		945	921
Interest Bearing Loans & Borrowings		1,696,621	829,990
Deferred Tax Liabilities		761,332	805,174
Retirement benefit obligations		442,357	400,384
Lease Liability -Right to Use Asset		88,410	-
Total Non-Current Liabilities		<u>2,989,665</u>	<u>2,036,469</u>
Current Liabilities			
Trade & Other Payables		3,830,416	4,892,901
Income Tax Payables		217,655	193,409
Contract Liability		924,173	706,864
Interest Bearing Loans & Borrowings		6,588,856	5,403,828
Lease Liability -Right to Use Asset		47,074	-
Total current liabilities		<u>11,608,174</u>	<u>11,197,002</u>
Total Liabilities		<u>14,597,839</u>	<u>13,233,471</u>
Total equity and liabilities		<u>24,468,074</u>	<u>22,586,749</u>
		23.14	21.70

I certify that the Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd.
Isuru Fernando
Finance Manager

The Board of Directors are responsible for these Financial Statements. Signed for and on behalf of the Board by;

Sgd.
A G Weerasinghe
Director

Sgd.
R P Sugathadasa
Director

03 September 2020
Colombo

The notes on pages 10 to 14 are integral part of the financial statements.
Figures in brackets indicate deductions.

Ambeon Holdings PLC
Interim Consolidated Statement of Changes in Equity - Group
For the period ended 31 March 2020

Rs.000'	Note	Stated capital	Revaluation reserve	Retained earnings	Foreign currency translation reserve	Other reserves	Fair Value throught OCI Reserve	Currency/Exchange Hedge	General Reserve	Total	Non controlling interest	Total equity
As at 31 March 2018 (Audited)		7,871,564	927,586	(963,749)	(507)	3,100	-	-	220	7,838,213	1,055,156	8,893,369
Impact of adapting SLFRS 9		-	-	13,184	-	-	(103,131)	-	-	(89,947)	(36,575)	(126,522)
As at 31 March 2018 (Audited)-Revised		7,871,564	927,586	(950,565)	(507)	3,100	(103,131)	-	220	7,748,266	1,018,581	8,766,847
Net profit/(loss) for the period		-	-	528,310	-	-	-	-	-	528,310	336,158	864,468
Other comprehensive income		-	412,483	13,938	(317,502)	-	(153,757)	-	-	(44,839)	55,451	10,612
Total comprehensive income/(loss) for the period		-	412,483	542,248	(317,502)	-	(153,758)	-	-	483,471	391,609	875,080
Revaluation Reserve Transfer on Land and Building Disposal		-	(7,136)	7,136	-	-	-	-	-	-	-	-
Changes in Holdings		-	-	(42,429)	-	-	-	-	-	(42,429)	288,208	245,779
Capital Reduction		(2,539,789)	-	2,539,789	-	-	-	-	-	-	-	-
Dividend Paid (LKR 1.25 per Share)		-	-	(446,087)	-	-	-	-	-	(446,087)	-	(446,087)
Subsidiary Dividend to Minority Shareholders		-	-	-	-	-	-	-	-	-	(88,341)	(88,341)
As at 31 March 2019 (Audited)		5,331,775	1,332,933	1,650,092	(318,009)	3,100	(256,889)	-	220	7,743,221	1,610,057	9,353,278
As at 31 March 2019 (Audited)		5,331,775	1,332,932	1,650,091	(318,009)	3,100	(256,889)	-	220	7,743,221	1,610,057	9,353,278
Net profit/(loss) for the period		-	-	245,268	-	-	-	-	-	245,268	272,591	517,859
Other comprehensive income		-	96,473	(12,797)	130,995	-	(8,786)	(24,625)	-	181,261	18,201	199,461
Total comprehensive income/(loss) for the period		-	96,473	232,471	130,995	-	(8,786)	(24,625)	-	426,528	290,792	717,320
Change in Holding		-	-	89,533	-	-	-	-	-	89,533	(241,000)	(151,467)
Subsidiary Dividend to Minority Shareholders		-	-	-	-	-	-	-	-	-	(48,896)	(48,896)
As at 31 March 2020 (Un-Audited)		5,331,775	1,429,406	1,972,095	(187,014)	3,100	(265,675)	(24,625)	220	8,259,282	1,610,953	9,870,235

The notes on pages 10 to 14 are integral part of the financial statements.
Figures in brackets indicate deductions.

Ambeon Holdings PLC
Interim Consolidated Cash Flow Statement - Group
For the period ended 31 March 2020

Rs.000'	31 March 2020 (Un-Audited)	31 March 2019 (Audited)
Cash flow from operating activities		
Profit/(Loss) before tax from continuing operations	820,642	1,247,263
Profit/(Loss) before tax from discontinued operations	(190,978)	(659)
Profit/(Loss) before tax	629,664	1,246,604
Adjustments:		
Depreciation Of Property Plant & Equipment	305,596	378,179
Impairment of Goodwill	37,727	171,372
(Profit)/Loss on disposal of Property, plant & equipment	1,724	(7,159)
Finance Income	-	(207,722)
Finance Cost	574,552	637,383
Provision for gratuity	85,729	80,766
Fair Value (Gain)/Loss On Current Investments	(13,420)	142,471
Fair Value Gain on Investment property	(787,720)	(822,550)
Interest on other Financial liabilities	-	24
Other income	38,000	-
Impairment on Trade Receivables	-	38,297
Amortization of Intangible Assets	198,249	8,305
Allowance for obsolete and slow moving inventories	-	(123,687)
(Profit)/Loss from Disposal of Current Investment	(13,538)	9,935
Share of (Profit)/Loss from Associates	3,070	(2,184)
Impairment of PPE	47,521	-
Loss on Disposal of Associate	-	876
Exchange Gain/Loss	-	-
Gain on Loan Write Back	-	(153,860)
	1,107,154	1,397,051
Working capital adjustments		
(Increase)/decrease in trade & other receivables	(270,680)	(2,208,087)
(Increase)/decrease in inventories	(41,861)	(359,178)
Increase/(decrease) in trade & other payables	(702,710)	1,283,525
Increase/(decrease) in Deferred income	217,309	(41,286)
Gratuity Paid	(34,828)	(62,911)
Income tax paid	(175,874)	(147,506)
Interest paid	(574,552)	(430,828)
Total net cash (used in)/from operating activities	(476,044)	(569,220)
Cash flow from investing activities		
Purchase of Property, plant & equipment	(184,376)	(578,962)
Purchase of intangible assets	(495,002)	(19,181)
Proceeds from sale of investment	154,774	501,697
Proceeds from disposal of Property, Plant & equipment	413	38,160
Investment in Other Financial Investments	(952,683)	(543,004)
Investment In Current Investments	(64,728)	(30,400)
Investment in Investment Property	(2,243)	(1,073)
Investment in Equity Accounted investee	(15,000)	-
Interest Income on Investment	-	207,722
Proceed from Disposal of Associate	-	116,153
Acquisition of Subsidiaries	-	(424,996)
Total net cash (used in)/from investing activities	(1,558,845)	(733,883)
Cash flow from financing activities		
Proceeds from long-term liabilities, net of payments	2,165,184	(254,441)
Acquisition by Non Controlling Interest	-	-
Acquisition from Non Controlling Interest	(151,466)	-
Effect of exchange rate change in loans & borrowings	-	(2,234)
Repayment of finance lease	(57,459)	(3,400)
Proceeds from Non-Controlling Interest Through Holding Change	-	245,778
Dividend paid	-	(446,087)
Dividend paid to non controlling interest	(48,896)	(88,341)
Total net cash (used in)/from financing activities	1,907,363	(548,724)
Net foreign Exchange Difference	156,076	(295,973)
Net increase/(decrease) in Cash and Cash equivalents	28,551	(2,147,800)
Cash and cash equivalents as at 1 April	(778,009)	1,369,791
Cash and cash equivalents as at 31 March	(749,458)	(778,009)
Cash and cash equivalents as at 31 March		
Favorable Cash and bank balances	770,097	610,567
Unfavorable Cash and Bank balances	(1,519,555)	(1,388,577)
	(749,458)	(778,009)

The notes on pages 10 to 14 are integral part of the financial statements.
Figures in brackets indicate deductions.

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Notes to the Interim Consolidated Financial Statements

1. Basis of preparation

The interim consolidated financial statements for the period ended 31 March 2020 have been prepared in accordance with LKAS 34 - Interim Financial Reporting. The Interim Consolidated Financial Statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's Audit Financial Statements as at 31 March 2019.

Where appropriate, certain financial statement line items have been reclassified to conform to the current period presentation.

2. Operating Results - Segment Information

	Period Ended 31 March															
	2020	2019 (Audited)	2020	2019 (Audited)	2020	2019 (Audited)	2020	2019 (Audited)	2020	2019 (Audited)	2020	2019 (Audited)	2020	2019 (Audited)		
	Manufacturing Footwear		Manufacturing Porcelain		Manufacturing Textile		Investment		Property		IT and related Services		Financial Services		Group Total	
Rs.000' (Unaudited)																
Total Revenue	59,353	602,444	2,244,026	2,178,649	9,139,684	8,296,138	82,758	12,055	39,901	8,564	8,018,664	6,533,341	131,685	103,293	19,716,071	17,734,485
Revenue	59,353	602,444	2,244,026	2,178,649	9,139,684	8,296,138	82,758	12,055	39,901	8,564	8,018,664	6,533,341	131,685	103,293	19,716,071	17,734,485
Results																
Profit/(Loss) Before Net Finance Cost	333,876	(36,136)	102,004	515,402	138,750	605,573	(136,287)	(131,919)	74,260	78,649	803,959	670,356	76,166	28,874	1,392,728	1,730,798
Finance Costs	(11,644)	(86,740)	(102,733)	(58,196)	(105,705)	(77,893)	(215,579)	(208,837)	23,633	63,829	(150,522)	(115,698)	(9,535)	53,874	(572,086)	(429,561)
Profit/(Loss) Before Income Tax	322,232	(122,876)	(729)	457,206	33,045	527,679	(351,866)	(340,756)	97,893	142,478	653,438	554,658	66,631	28,874	820,642	1,247,263
Income Tax Expense	79,936	(76,345)	30,606	(61,445)	(9,806)	(34,321)	(13,113)	(112,469)	(45,400)	22,524	(130,360)	(108,653)	(23,668)	(11,427)	(111,805)	(382,136)
Profit/(Loss) After Tax	402,168	(199,220)	29,877	395,760	23,239	493,358	(364,979)	(453,225)	52,493	165,002	523,078	446,005	41,860	17,447	708,837	865,127
Profit/(Loss) From Discontinued Operation	(190,978)	(659)	-	-	-	-	-	-	-	-	-	-	-	-	(190,978)	(659)
Net Profit/ (Loss) for the Year	211,190	(199,880)	29,877	395,760	23,239	493,358	(364,979)	(453,225)	52,493	165,002	523,078	446,005	41,860	17,447	517,859	864,468
Equity Holders of the Parent															245,268	528,310
Non-controlling interests															272,591	336,158
															517,859	864,468

	As at 31 March															
Assets and Liabilities																
Non-Current Assets	2,144,827	2,122,287	2,686,631	2,392,513	2,641,468	2,523,335	1,867,329	1,240,221	1,569,076	1,290,751	784,263	416,693	662,060	525,275	12,355,655	10,511,074
Current Assets	138,911	603,654	2,350,814	1,989,444	3,582,584	3,031,097	956,585	823,071	342,996	469,500	4,587,191	4,995,659	153,339	163,248	12,112,419	12,075,674
Total assets*	2,283,738	2,725,941	5,037,445	4,381,957	6,224,052	5,554,432	2,823,915	2,063,291	1,912,072	1,760,252	5,371,454	5,412,352	833,845	688,524	24,468,074	22,586,748
Non-Current Liabilities	315,234	429,063	616,313	487,147	533,189	646,067	1,138,645	330,287	39,504	22,058	341,665	110,936	5,113	10,910	2,989,665	2,036,469
Current Liabilities	288,485	648,123	1,570,314	1,239,845	3,789,179	3,087,865	799,325	938,864	36,049	268,984	4,979,549	4,957,911	145,272	55,408	11,608,174	11,197,002
Total Liabilities **	603,719	1,077,187	2,186,626	1,726,992	4,322,369	3,733,932	1,937,969	1,269,151	75,553	291,043	5,321,214	5,068,848	169,932	66,318	14,597,838	13,233,471

Financial Performance - Business Segments

* Segment assets do not include investment in subsidiaries, investment in group preference shares and inter company current account balances.

**Segment liabilities do not include group preference shares and inter company current account balances, including loan balances.

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Notes to the Interim Consolidated Financial Statements

3 New Standards, interpretations and amendments adopted by the Group

SLFRS 16 - Leases

SLFRS 16 specifies how an entity will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model requiring leases recognize assets and liabilities for all leases unless the term is 12 months or less or the underlying asset has a lower value. The Lessors continue to classify leases as operating or finance as SLFRS 16's approach for lessor accounting substantially unchanged from its predecessor. SLFRS 16 is effective for financial reporting periods beginning on or after 1st January 2018, with early adoption permitted.

The Group has lease contracts for retail stores typically made for 6 years of lease term and has extension option. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Right of use assets

The Group recognises right of use assets when the underlying asset is available for use. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Set out below, are the carrying amounts of right of use assets and lease liability and the movements for the period ended 31 March 2020.

	Right of use assets "000"	Lease liability "000"
As at 1st April 2019		
Additions/ Transfers	991,372	166,215
Amortisation	(62,707)	-
Exchange Reserve Impact	62,876	-
Interest cost	-	20,749
Payment	-	(51,480)
	991,540	135,484

SLFRS 09 -Financial instruments- Adoption of Cashflow Hedge Accounting

For designated and qualifying cashflow hedges, the effective portion of the gain or loss on the hedging instrument is initially recognized directly in equity in the "Cash flow hedge reserve". The ineffective portion of the gains or losses on the hedge instrument is recognized immediately in the P/L.

When the hedge cashflow affect the income statement, the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the income statement. When a hedging instrument expires, or is sold, terminated, exercised or when a hedge no longer meet the criteria for hedge accounting, any cumulative gains/losses existing in other comprehensive income at that time remains in other comprehensive income and is recognized when the hedge forecast transaction ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur the Cumulative gains/loss was reported in other comprehensive income is immediately transferred to the income statement.

4 Commitment and Contingencies

Name of the Company	Bank	Amount LKR Mn	Outstanding Balance as at 31 March LKR Mn
Royal Fernwood Porcelain Ltd	People's Bank	65	16
Millennium IT ESP (pvt) Ltd	Seylan Bank	2,000	932
South Asia Textiles Ltd	Peoples Bank	804 (USD 4.4 Mn)	660
Ceylon Leather Products Manufacturers Ltd	Peoples Bank	205	174
Ceylon Leather Products Ltd	Bank Of Ceylon	60	-

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Notes to the Interim Consolidated Financial Statements

5 Changes in Accounting Policies and Disclosures

The Company re-assessed its accounting for investments in subsidiaries in separate financial statements. The Company had previously measured all investments in subsidiaries at cost whereby, after initial recognition the asset was carried at cost less accumulated impairment losses. During the year the Company elected to change the method of accounting for investments in subsidiaries retrospectively as the Company believes that the accounting for investments in subsidiaries in accordance with SLFRS 9 provides more relevant information to the users of its financial statements. In addition, available valuation techniques provide reliable estimates of fair value of the investments in subsidiaries. The Company applied the change retrospectively.

Accounting for Investments in Subsidiaries

Investment in Subsidiary are those entities that is controlled by the Company. Investment in subsidiary are accounted at fair value through profit or loss in accordance with SLFRS 9. They are initially recognized at fair value, Subsequent to initial recognition, the fair value gains or losses are recognized in the statement of profit or loss in the separate financial statements until the date on which the control is lost. The dividends received from the Subsidiary are treated as income in the statement of profit or loss of the separate financial statements.

	2018 Audit	Impact	2018 Restated
Investment in subsidiary	6,775,945	-	6,775,945
Fair Valaution Gain	-	1,334,791	1,334,791
	<u>6,775,945</u>	<u>1,334,791</u>	<u>8,110,736</u>
Deferred Tax	77,377	-	77,377
Deferred tax Charge on fair value Gain	-	(12,739)	(12,739)
	<u>77,377</u>	<u>(12,739)</u>	<u>64,638</u>
Retained earning	<u>(1,706,547)</u>	1,322,052	<u>(384,495)</u>

	2019 Audited	Impact	2019 Restated
Investment in subsidiary	6,414,022	-	6,414,022
Fair Valaution Gain 2018	-	1,334,791	1,334,791
Fair Valaution Gain 2019	-	3,737,996	3,737,996
	<u>6,414,022</u>	<u>5,072,787</u>	<u>11,486,809</u>
Deferred Tax	16,656	-	16,656
Deferred tax Charge on fair value Gain 2018	-	(12,739)	(12,739)
Deferred tax Charge on fair value Gain 2019	-	(333,823)	(333,823)
	<u>16,656</u>	<u>(346,562)</u>	<u>(329,906)</u>
Retained earning	<u>357,098</u>	4,726,226	<u>5,083,323</u>

Impact for Profit or Loss Statement

	2019 Audited	Impact	2019 Restated
Fair value gain on investment subsidiary fair valuation			
Fair value gain	-	3,737,996	3,737,996
	<u>-</u>	<u>3,737,996</u>	<u>3,737,996</u>

Investment in subsidiary as at 31 March 2020

	2019 Restated	Investment	FV Gain	2020 Un Audited
Investment in subsidiary	11,486,809	151,466	1,025,568	12,663,843
	<u>11,486,809</u>	<u>151,466</u>	<u>1,025,568</u>	<u>12,663,843</u>
	2019 Restated	Charge	FV Gain charge	2020 Un Audited
Deferred tax	329,906	(244)	59,127	388,790
	<u>329,906</u>	<u>(244)</u>	<u>59,127</u>	<u>388,790</u>

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For the period ended 31 March 2020

Notes to the Interim Consolidated Financial Statements

6 FAIR VALUE MEASUREMENT

GROUP

The Group uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The Group held the following assets and liabilities carried at fair value in the statement of financial position:

Assets Measured at Fair Value

	Level 1		Level 2		Level 3	
	31/3/2020	31/03/2019	31/3/2020	31/03/2019	31/3/2020	31/03/2019
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Investment Properties	-	-	-	-	3,829,941	3,039,977
Financial Instrument at Amortized Cost	-	-	23,236	22,452	-	-
Land	-	-	-	-	992,613	1,174,551
Buildings	-	-	-	-	731,194	1,015,835
Building on Leasehold Land	-	-	-	-	805,500	805,500
Financial Assets						
Fair value through Profit or Loss	54,453	167,448	-	-	-	-
Fair value through OCI	562,312	566,705	-	-	-	-
	616,765	734,153	23,236	22,452	6,359,248	6,035,863

COMPANY	Level 1		Level 2		Level 3	
	31/3/2020	31/03/2019	31/3/2020	31/03/2019	31/3/2020	31/03/2019
	Un Audited	Un Audited Restated	Un Audited	Un Audited Restated	Un Audited	Un Audited Restated
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Assets Measured at Fair Value						
FVTPL - Financial Assets						
Fair Value Through Profit or Loss	54,440	155,454	-	-	-	-
Fair value through OCI	562,312	566,705	-	-	-	-
Investment in Subsidiaries	-	-	-	-	12,663,843	11,486,809
	616,752	722,159	-	-	12,663,843	11,486,809

Financial Assets and Liabilities measured or disclosed at Fair Value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

The fair values of the quoted equities are based on price quotations at the reporting date.

Long-term fixed-rate borrowings are evaluated by the Group based on interest rates.

Those assumptions for assets categorised as Level 3 has been described under respective notes to the financial Statements as at 31 March 2019.

During the reporting period ended 31 March 2019 and 31 March 2020, there were no transfers between Level 1 and Level 2 fair value measurements.

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Notes to the Interim Consolidated Financial Statements

7 Events after reporting date

No circumstances have arisen since the reporting date, which would require adjustment to or disclosure in the Financial Statements except for;

Proposed Dividend - Eon Tec (Pvt) Ltd

- 1) Eon Tec (Private) Limited declared a dividend of LKR 0.78 per share for the financial year 2019/20, date of payment 12 June 2020.
- 2) Eon Tec (Private) Limited declared a dividend of LKR 0.78 per share for the financial year 2019/20, date of payment 24 August 2020.

8 Comparative Information

The presentation and classification of the financial statements of the previous years have been amended, where relevant for better presentation and to be comparable with those of the current year.

9 Share Information

a) Number of Shares

No of Ordinary Shares represented in Stated Capital	356,869,666
No of Preference Shares represented in Stated Capital	170,625

b) Market Price Per Ordinary Share

Year Ended		Quarter Ended	
<u>31 March 2019</u>		<u>31 March 2020</u>	<u>31 March 2019</u>
<u>Rs.</u>		<u>Rs.</u>	<u>Rs.</u>
11.20	High	13.40	11.20
9.10	Low	8.00	9.10
9.20	Close	* 8.10	9.20

* The last traded share price represents the share price as at 20 March 2020 which in effect was the last traded date of the Colombo Stock Exchange (CSE) before the quarter ended. Due to the Covid - 19 pandemic, CSE was closed from 20 March 2020 to 06 May 2020. It should be further noted that an active market may not have been existed on the last traded date due to the uncertain conditions that may have prevailed at that time. Therefore the last traded share price may not be an accurate representation of the fair value of the company's shares as at that date.

10 Public Shareholding as at	<u>31 March 2020</u>	<u>31 March 2019</u>
Number of Shareholders	5,053	5,257
No. of Shares	65,401,748	63,584,243
Percentage	18.33%	17.82%
Float Adjusted Market Capitalisation- Rs.	529,855,099	585,066,405

The Company is compliant with the Minimum Public Holding requirement under option 2 of rule 7.13.1 (b) of the Listing Rules of the Colombo Stock Exchange.

11 Directors Shareholdings	<u>31 March 2020</u>	<u>31 March 2019</u>
Name of Director	No. of Shares	No. of Shares
Mr. S. E. Gardiner	Nil	Nil
Mr. A. L. Devasurendra	Nil	Nil
Mr. N. M. Prakash	785,541	450,000
Mr. A. G. Weerasinghe	Nil	Nil
Mr. R. P. Sugathadasa	Nil	Nil
Mr. E. M. M. Boyagoda	Nil	Nil
Mr. R. P. Pathirana	Nil	Nil
Mr. R. T. Devasurendra (Alternate Director)	Nil	Nil

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Notes to the Interim Consolidated Financial Statements

12 Twenty Major Shareholders of the Company as at 31 March 2020 - Ordinary Shares

Name of the Shareholder	No of Shares Held	%
1 Pan Asia Banking Corporation PLC/Ambeon Capital PLC	177,807,255	49.82
Seylan Bank PLC/Ambeon Capital PLC (Collateral)	112,790,122	31.61
Total	290,597,377	81.43
2 Ceylinco General Insurance Limited	9,443,196	2.65
3 Amana Bank PLC/Almas Organisation (Pvt) Ltd	7,408,955	2.08
4 Hatton National Bank PLC/Carlines Holdings (Pvt) Ltd	5,439,845	1.52
5 Hotel International (Private) Limited	2,154,986	0.60
6 Associated Electrical Corporation Ltd	1,955,000	0.55
7 Mr. N. Balasingam	1,906,500	0.53
8 Mr. K. V. Hewavitarne	1,382,401	0.39
9 Mr. D. F. G. Dalpethado	1,129,664	0.32
10 People's Leasing & Finance PLC/L. P. Hapangama	955,836	0.27
11 Hatton National Bank PLC/Sanka Ramoorthy Nadaraj Kumar	797,282	0.22
12 Mr. N. M. Prakash	785,541	0.22
13 Mr. C. R. Perera	727,381	0.20
14 Sampath Bank PLC/ Dr. T. Senthilverl	675,000	0.19
15 Merchant Bank of Sri Lanka & Finance PLC 01	650,000	0.18
16 Dr. S. Yaddehige	557,127	0.16
17 Mrs. M. K. C. Perera	526,772	0.15
18 People's Merchant Finance PLC/H. P. C. R. Priyadarshana	500,000	0.14
19 Hatton National Bank PLC/Biswajith Udayapriya Hettiarachchi	465,931	0.13
20 Mr. Y. L. Farook	429,000	0.12
Others	28,381,872	7.95
Total	356,869,666	100.00

13 Twenty Major Shareholders of the Company as at 31 March 2020 - Preference Shares

Name of the Shareholder	No. of Shares Held	%
1 Standard Finance Limited	18,616	10.91
2 Mr G C W De Silva	9,484	5.56
3 Mr M V Theagarajah	8,744	5.12
4 Life Insurance Corporation of India	8,146	4.77
5 K Theagarajah	8,000	4.69
6 Mrs B L Macrae	6,658	3.90
7 A L Clarke	6,658	3.90
8 Mr M V Theagarajah	6,447	3.78
9 Shalsri Investment Ltd	5,000	2.93
10 The Land & House Property Company Ltd	4,500	2.64
11 The Administratrix of the Estate of Pietro Fernando	4,000	2.34
12 Mr S Sivalingam Attorney for Mrs R Sivaraman Widow of Late	3,672	2.15
13 Muthunayagam Maheswari Brito	3,500	2.05
14 B Selvanayagam	3,000	1.76
15 A M Felsingar	2,684	1.57
16 K N Woutersz	2,684	1.57
17 Mr S Navaratnam	2,682	1.57
18 M G Sabaratnam	2,500	1.47
19 Mr S A Scharenguivel	2,450	1.44
20 Mr P S Wijewardena	2,194	1.29
Others	59,006	34.58
Total	170,625	100.00